H-4955.1			

SECOND SUBSTITUTE HOUSE BILL 2293

State of Washington 54th Legislature 1996 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Carlson, Jacobsen, Murray and Chopp)

Read first time 02/05/96.

- 1 AN ACT Relating to higher education fiscal matters; amending RCW
- 2 28B.15.031, 28B.15.535, 28B.15.540, 28B.15.380, 28B.15.543, 28B.15.545,
- 3 28B.15.556, 28B.15.600, 28B.15.615, and 28B.15.820; adding a new
- 4 section to chapter 28B.15 RCW; and declaring an emergency.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 28B.15 RCW 7 to read as follows:
- 8 (1) The governing board of each of the state universities, the
- 9 regional universities, and The Evergreen State College, upon the
- 10 agreement of its student government association, may establish and
- 11 charge to each enrolled student a technology fee, separate from tuition
- 12 fees. During the 1996-97 academic year, any technology fee shall not
- 13 exceed one hundred twenty dollars for a full-time student. Any
- 14 technology fee charged to a part-time student shall be calculated as a
- 15 pro rata share of the fee charged to a full-time student.
- 16 (2) Except for the requirements of subsection (5) of this section,
- 17 revenue from this fee shall be used exclusively for technology
- 18 resources for general student use.

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- 1 (3) Only changes in the amount of the student technology fee agreed 2 upon by both the governing board and the student government association 3 shall be used to adjust the amount charged to students. Changes in the 4 amount charged to students, once implemented, become the basis for 5 future changes.
- 6 (4) The student technology fee shall not be subject to RCW 43.135.055, and may be increased in excess of the fiscal growth factor.
- 8 (5) The universities and The Evergreen State College shall deposit 9 three and one-half percent of revenues received from the technology fee 10 into its institutional financial aid fund under RCW 28B.15.820.
- 11 (6) As used in this section, "technology fee" is a fee charged to 12 students to recover, in whole or in part, the costs of providing and 13 maintaining services to students that include, but need not be limited 14 to: Access to the internet and world wide web, e-mail, computer and 15 multimedia work stations and laboratories, computer software, and dial-16 up telephone services.

17 **Sec. 2.** RCW 28B.15.031 and 1995 1st sp.s. c 9 s 2 are each amended 18 to read as follows:

19 The term "operating fees" as used in this chapter shall include the fees, other than building fees, charged all students registering at the 20 state's colleges and universities but shall not include fees for short 21 courses, self-supporting degree credit programs and courses, marine 22 23 station work, experimental station work, correspondence or extension 24 courses, and individual instruction and student deposits or rentals, 25 disciplinary and library fines, which colleges and universities shall have the right to impose, laboratory, gymnasium, and health fees, 26 technology fees under section 1 of this act, and student activity fees, 27 or fees, charges, rentals, and other income derived from any or all 28 29 revenue producing lands, buildings and facilities of the colleges or 30 universities heretofore or hereafter acquired, constructed or installed, including but not limited to income from rooms, dormitories, 31 32 dining rooms, hospitals, infirmaries, housing or student activity buildings, vehicular parking facilities, land, or the appurtenances 33 34 thereon, or such other special fees as may be established by any college or university board of trustees or regents from time to time. 35 36 All moneys received as operating fees at any institution of higher 37 education shall be deposited in a local account containing only operating fees revenue and related interest: PROVIDED, That a minimum 38

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- 1 of three and one-half percent of operating fees shall be retained by
- 2 the institutions((, except the technical colleges,)) for the purposes
- 3 of RCW 28B.15.820. Local operating fee accounts shall not be subject
- 4 to appropriation by the legislature or allotment procedures under
- 5 chapter 43.88 RCW.
- 6 **Sec. 3.** RCW 28B.15.535 and 1992 c 231 s 15 are each amended to 7 read as follows:
- 8 (1) The governing boards of the state universities, the regional
- 9 universities, The Evergreen State College, and the community colleges
- 10 may waive all or a portion of the tuition ((and)), services and
- 11 activities fees, and technology fees for full-time employees of their
- 12 respective institutions of higher education enrolled in said
- 13 institutions' courses on a space available basis pursuant to the
- 14 following conditions:
- 15 (a) Employees shall register for and be enrolled in courses on a
- 16 space available basis, and no new course sections shall be created as
- 17 a direct result of such registration;
- 18 (b) Enrollment information on employees registered on a space
- 19 available basis shall be maintained separately from other enrollment
- 20 information and shall not be included in official enrollment reports,
- 21 nor shall persons enrolled pursuant to the provisions of this section
- 22 be considered in any enrollment statistics which would affect budgetary
- 23 determinations;
- (c) Employees registering on a space available basis shall be charged a registration fee of not less than five dollars.
- 26 (2) The governing boards of the respective colleges and
- 27 universities may waive all or a portion of tuition and services and
- 28 activities fees for full-time intercollegiate center for nursing
- 29 education, cooperative extension service, and agricultural research
- 30 employees of Washington State University for such employees stationed
- 31 off the Pullman, Whitman county campus: PROVIDED, That such waiver
- 32 complies with the conditions spelled out in subsection (1) (a), (b),
- 33 and (c) of this section.
- 34 (3) The governing boards of the state universities, the regional
- 35 universities, and The Evergreen State College and the state board for
- 36 community and technical colleges shall adopt guidelines for the
- 37 implementation of institutional employee waivers granted pursuant to
- 38 this section.

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- 1 **Sec. 4.** RCW 28B.15.540 and 1992 c 231 s 16 are each amended to 2 read as follows:
- Consistent with the regulations and procedures established by the governing boards of the state universities, the regional universities, and The Evergreen State College and the state board for community and technical colleges, each institution may for Washington residents who are sixty years of age or older:
- 8 (1) Waive, in whole or in part, the tuition ((and)), services and 9 activities fees, and technology fees for students who qualify under 10 this section and who are enrolled for credit, and
- 11 (2) Waive, in whole or in part, the tuition ((and)), services and 12 activities fees, and technology fees for students who qualify under 13 this section, but charge a nominal fee not to exceed five dollars per quarter, or semester, as the case may be, for such students who are 14 15 enrolled on an audit basis: PROVIDED, That residents enrolling with fee exemptions under this section shall register for not more than two 16 quarter or semester courses at one time on a space available basis, and 17 no new course sections shall be created as a direct result of such 18 19 registration: PROVIDED FURTHER, That such waivers shall not be 20 available to students who plan to use the course credits gained thereby for increasing credentials or salary schedule increases: PROVIDED 21 22 FURTHER, That enrollment information concerning fee exemptions awarded 23 under this section shall be maintained separately from other enrollment 24 information but shall not be included in official enrollment reports: 25 PROVIDED, That persons who enroll pursuant to provisions of this 26 section shall not be considered for any purpose in determining studentteacher ratio, nor for any purpose relating to enrollment totals, nor 27 any other statistic which would affect budgetary determinations. 28 Persons enrolling under the provisions of this section shall have, in 29 30 equal with all other students, access to course counseling services and shall be subject to all course prerequisite requirements. 31
- 32 **Sec. 5.** RCW 28B.15.380 and 1993 sp.s. c 18 s 10 are each amended 33 to read as follows:
- Subject to the limitations of RCW 28B.15.910, the governing boards of the state universities, the regional universities, and The Evergreen State College may exempt the following students from the payment of all or a portion of tuition fees ((and)), services and activities fees, and
- 38 <u>technology fees</u>:

- (1) All veterans as defined in RCW 41.04.005: PROVIDED, That such 1 persons are no longer entitled to federal vocational or educational 2 benefits conferred by virtue of their military service: AND PROVIDED 3 4 FURTHER, That if any such veterans have not resided in this state for one year prior to registration, the board may exempt the student from 5 paying up to fifty percent of the nonresident tuition fees 6 7 differential. Such exemptions may be provided only to those persons otherwise covered who were enrolled in universities on or before 8 9 October 1, 1977.
- 10 (2) Children of any law enforcement officer or fire fighter who
 11 lost his or her life or became totally disabled in the line of duty
 12 while employed by any public law enforcement agency or full time or
 13 volunteer fire department in this state: PROVIDED, That such persons
 14 may receive the exemption only if they begin their course of study at
 15 a state-supported college or university within ten years of their
 16 graduation from high school.
- 17 **Sec. 6.** RCW 28B.15.543 and 1995 1st sp.s. c 5 s 2 are each amended 18 to read as follows:
- (1) Subject to the limitations of RCW 28B.15.910, the governing 19 boards of the state universities, the regional universities, The 20 Evergreen State College, and the community colleges shall waive tuition 21 ((and)), service and activities fees, and technology fees for students 22 23 named by the higher education coordinating board on or before June 30, 24 1994, as recipients of the Washington scholars award under RCW 25 28A.600.100 through 28A.600.150. The waivers shall be used only for undergraduate studies. To qualify for the waiver, recipients shall 26 27 enter the college or university within three years of high school graduation and maintain a minimum grade point average at the college or 28 29 university equivalent to 3.30. Students shall be eligible to receive a maximum of twelve quarters or eight semesters of waivers and may 30 transfer among state-supported institutions of higher education during 31 that period and continue to have the tuition and services and 32 33 activities fees waived by the state-supported institution of higher education that the student attends. Should the student's cumulative 34 grade point average fall below 3.30 during the first three quarters or 35 36 two semesters, that student may petition the higher education 37 coordinating board which shall have the authority to establish a

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- 1 probationary period until such time as the student's grade point 2 average meets required standards.
- 3 (2) Students named by the higher education coordinating board after 4 June 30, 1994, as recipients of the Washington scholars award under RCW 5 28A.600.100 through 28A.600.150 shall be eligible to receive a grant 6 for undergraduate course work as authorized under RCW 28B.80.245.
- 7 Sec. 7. RCW 28B.15.545 and 1995 1st sp.s. c 7 s 7 are each amended 8 to read as follows:
- 9 (1) Subject to the limitations of RCW 28B.15.910, the governing boards of the state universities, the regional universities, The 10 Evergreen State College, and the community colleges shall waive tuition 11 ((and)), services and activities fees, and technology fees for a 12 maximum of two years for those recipients of the Washington award for 13 14 vocational excellence established under RCW 28C.04.520 through 15 28C.04.540 who received their awards before June 30, 1994. recipient shall not receive a waiver for more than six quarters or four 16 To qualify for the waiver, recipients shall enter the 17 18 college or university within three years of receiving the award. A 19 minimum grade point average at the college or university equivalent to 3.00, or an above-average rating at a technical college, shall be 20 required in the first year to qualify for the second-year waiver. 21 tuition waiver shall be granted for undergraduate studies only. 22
 - (2) Students named by the work force training and education coordinating board after June 30, 1994, as recipients of the Washington award for vocational excellence under RCW 28C.04.520 through 28C.04.550 shall be eligible to receive a grant for undergraduate course work as authorized under RCW 28B.80.272.
- 28 **Sec. 8.** RCW 28B.15.556 and 1993 sp.s. c 18 s 21 are each amended 29 to read as follows:
- Subject to the limitations of RCW 28B.15.910, the governing boards of the state universities, the regional universities, and The Evergreen State College may waive all or a portion of the tuition, ((and)) services and activities fees, and technology fees for undergraduate or graduate students of foreign nations subject to the following limitations:

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1 (1) No more than the equivalent of one hundred waivers may be 2 awarded to undergraduate or graduate students of foreign nations at 3 each of the two state universities;

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- (2) No more than the equivalent of twenty waivers may be awarded to undergraduate or graduate students of foreign nations at each of the regional universities and The Evergreen State College;
- 7 (3) Priority in the awarding of waivers shall be given to students 8 on academic exchanges or academic special programs sponsored by 9 recognized international educational organizations; and
- 10 (4) An undergraduate or graduate student of a foreign nation 11 receiving a waiver under this section is not eligible for any other 12 waiver.
- The waiver programs under this section, to the greatest extent possible, shall promote reciprocal placements and waivers in foreign nations for Washington residents. The number of waivers awarded by each institution shall not exceed the number of that institution's own students enrolled in approved study programs abroad during the same period.
- 19 **Sec. 9.** RCW 28B.15.600 and 1995 c 36 s 1 are each amended to read 20 as follows:

The governing boards of the state universities, the regional 21 22 universities, and The Evergreen State College may refund or cancel in 23 full the tuition ((and)), services and activities fees, and technology 24 fees if the student withdraws from a university or college course or 25 program prior to the sixth day of instruction of the quarter or semester for which the fees have been paid or are due. If the student 26 withdraws on or after the sixth day of instruction, the governing 27 boards may refund or cancel up to one-half of the fees, provided such 28 29 withdrawal occurs within the first thirty calendar days following the beginning of instruction. However, if a different policy is required 30 by federal law in order for the institution of higher education to 31 maintain eligibility for federal funding of programs, the governing 32 board may adopt a refund policy that meets the minimum requirements of 33 34 the federal law, and the policy may treat all students attending the institution in the same manner. 35

The governing boards of the respective universities and college may adopt rules for the refund of tuition and fees for courses or programs that begin after the start of the regular quarter or semester. The

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- 1 governing boards may adopt rules to comply with RCW 28B.15.623 and may
- 2 extend the refund or cancellation period for students who withdraw for
- 3 medical reasons or who are called into the military service of the
- 4 United States and may refund other fees pursuant to such rules as they
- 5 may prescribe.
- 6 Sec. 10. RCW 28B.15.615 and 1993 sp.s. c 18 s 23 are each amended 7 to read as follows:
- 8 Subject to the limitations of RCW 28B.15.910, the governing boards
- 9 of the state universities and the regional universities may exempt the
- 10 following students from paying all or a portion of the resident
- 11 operating fee and technology fee: Students granted a graduate service
- 12 appointment, designated as such by the institution, involving not less
- 13 than twenty hours of work per week. The exemption shall be for the
- 14 term of the appointment. ((The stipend paid to persons holding
- 15 graduate student appointments from nonstate funds shall be reduced and
- 16 the institution reimbursed from such funds in an amount equal to the
- 17 resident operating fee which funds shall be transmitted to the general
- 18 fund.))
- 19 **Sec. 11.** RCW 28B.15.820 and 1995 1st sp.s. c 9 s 10 are each
- 20 amended to read as follows:
- 21 (1) Each institution of higher education, including technical
- 22 colleges, shall deposit a minimum of three and one-half percent of
- 23 revenues collected from tuition, technology fees, and services and
- 24 activities fees in an institutional financial aid fund that is hereby
- 25 created and which shall be held locally. Moneys in the fund shall be
- 26 used only for the following purposes: (a) To make guaranteed long-term
- 27 loans to eligible students as provided in subsections (3) through (8)
- 28 of this section; (b) to make short-term loans as provided in subsection
- 29 (9) of this section; or (c) to provide financial aid to needy students
- 30 as provided in subsection (10) of this section.
- 31 (2) An "eligible student" for the purposes of subsections (3)
- 32 through (8) and (10) of this section is a student registered for at
- 33 least six credit hours or the equivalent, who is eligible for resident
- 34 tuition and fee rates as defined in RCW 28B.15.012 through [and]
- 35 28B.15.013, and who is a "needy student" as defined in RCW 28B.10.802.
- 36 (3) The amount of the guaranteed long-term loans made under this
- 37 section shall not exceed the demonstrated financial need of the

student. Each institution shall establish loan terms and conditions which shall be consistent with the terms of the guaranteed loan program established by 20 U.S. Code Section 1071 et seq., as now or hereafter amended. All loans made shall be guaranteed by the Washington student loan guaranty association or its successor agency. Institutions are hereby granted full authority to operate as an eligible lender under the guaranteed loan program.

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- (4) Before approving a guaranteed long-term loan, each institution shall analyze the ability of the student to repay the loan based on factors which include, but are not limited to, the student's accumulated total education loan burdens and the employment opportunities and average starting salary characteristics of the student's chosen fields of study. The institution shall counsel the student on the advisability of acquiring additional debt, and on the availability of other forms of financial aid.
- 16 (5) Each institution is responsible for collection of guaranteed long-term loans made under this section and shall exercise due 17 diligence in such collection, maintaining all necessary records to 18 19 insure that maximum repayments are made. Institutions shall cooperate and the Washington student 20 with other lenders loan quaranty association, or its successor agency, in the coordinated collection of 21 quaranteed loans, and shall assure that the quarantability of the loans 22 23 is not violated. Collection and servicing of guaranteed long-term 24 loans under this section shall be performed by entities approved for 25 such servicing by the Washington student loan guaranty association or 26 its successor agency: PROVIDED, That institutions be permitted to perform such servicing if specifically recognized to do so by the 27 Washington student loan quaranty association or its successor agency. 28 29 Collection and servicing of guaranteed long-term loans made by 30 community colleges under subsection (1) of this section shall be 31 coordinated by the state board for community and technical colleges and shall be conducted under procedures adopted by the state board. 32
 - (6) Receipts from payment of interest or principal or any other subsidies to which institutions as lenders are entitled, that are paid by or on behalf of borrowers of funds under subsections (3) through (8) of this section, shall be deposited in each institution's financial aid fund and shall be used to cover the costs of making the guaranteed long-term loans under this section and maintaining necessary records and making collections under subsection (5) of this section: PROVIDED,

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- That such costs shall not exceed five percent of aggregate outstanding 1 loan principal. Institutions shall maintain accurate records of such 2 3 costs, and all receipts beyond those necessary to pay such costs, shall 4 be deposited in the institution's financial aid fund.
- 5 (7) The governing boards of the state universities, the regional universities, and The Evergreen State College, and the state board for 6 7 community and technical colleges, on behalf of the community colleges 8 technical colleges, shall each adopt necessary rules and regulations to implement this section.
- 10 (8) First priority for any guaranteed long-term loans made under this section shall be directed toward students who would not normally 11 have access to educational loans from private financial institutions in 12 13 Washington state, and maximum use shall be made of secondary markets in the support of loan consolidation. 14
 - (9) Short-term loans, not to exceed one year, may be made from the financial aid fund to students enrolled institution. No such loan shall be made to any student who is known by the institution to be in default or delinquent in the payment of any outstanding student loan. A short-term loan may be made only if the institution has ample evidence that the student has the capability of repaying the loan within the time frame specified by the institution for repayment.
- (10) Any moneys deposited in the institutional financial aid fund 23 24 that are not used in making long-term or short-term loans may be used 25 by the institution for locally-administered financial aid programs for 26 needy students, such as need-based institutional employment programs or 27 need-based tuition and fee scholarship or grant programs. These funds shall be used in addition to and not to replace institutional funds 28 29 that would otherwise support these locally-administered financial aid 30 programs. First priority in the use of these funds shall be given to needy students who have accumulated excessive educational loan burdens. 31 An excessive educational loan burden is a burden that will be difficult 32 to repay given employment opportunities and average starting salaries 33 34 in the student's chosen fields of study. Second priority in the use of 35 these funds shall be given to needy single parents, to assist these students with their educational expenses, including expenses associated 36 37 with child care and transportation.

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- NEW SECTION. Sec. 12. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.
- NEW SECTION. **Sec. 13.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect immediately.

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